# AMENDED IN SENATE MAY 15, 2003 AMENDED IN SENATE APRIL 28, 2003

## SENATE BILL

No. 816

#### **Introduced by Senator Alarcon**

February 21, 2003

An act to add Chapter 21 (commencing with Section 9900) to Division 3 of the Business and Professions Code, relating to business ethics. An act to amend Section 4996.9 of the Business and Professions Code, relating to healing arts.

#### LEGISLATIVE COUNSEL'S DIGEST

SB 816, as amended, Alarcon Perata. Commission on Business Ethics Clinical social workers.

Existing law regulates the practice of clinical social workers by the Board of Behavioral Sciences and defines the practice of clinical social workers.

This bill would revise this definition to include the application of specialized clinical knowledge and advanced clinical skills in the areas of assessment, diagnosis, and treatment of mental, emotional, and behavioral disorders, conditions, and addictions.

Existing law requires the Department of Consumer Affairs to regulate various professions and vocations.

This bill would create the California Commission on Business Ethics. The bill would specify that 9 commissioners serve on a voluntary basis and that they be appointed in equal numbers by the Senate, the Assembly, and the Governor. The bill would require the commission to develop regulations for ethical business practices and corporate responsibility, to refine the parameters for a "socially

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responsible business" for public contract procurement, to propose disciplinary fines and actions for business and corporate executives and directors who violate ethical standards, to make referrals to the Department of Justice and other law enforcement agencies for criminal or civil actions for a violation of ethical standards, and to index and rank socially responsible businesses.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. (a) The Legislature finds and declares that 2 SECTION 1. Section 4996.9 of the Business and Professions 3 Code is amended to read:

4996.9. (a) The practice of clinical social work is defined as a service in which a special knowledge of social resources, human capabilities, and the part that unconscious motivation plays in determining behavior, is directed at helping professional use of self to help people to achieve more adequate, satisfying, and productive social adjustments, psychosocial, or biopsychosocial functioning, and requires the application of specialized clinical knowledge and advanced clinical skills in the areas of assessment, diagnosis, and treatment of mental, emotional, and behavioral disorders, conditions, and addictions.

- (b) The application of social work principles and methods includes, but is not restricted to, counseling and using applied psychotherapy of a nonmedical nature with individuals, families, or groups; providing information and referral services; providing or arranging for the provision of social services; explaining or interpreting the psychosocial aspects in the situations of individuals, families, or groups; helping communities to organize, to provide, or to improve social or health services; or doing research related to social work.
- (c) Psychotherapy, within the meaning of this chapter, is the use of psychosocial methods within a professional relationship, to assist the person or persons to achieve a better psychosocial adaptation, to acquire greater human realization of psychosocial potential and adaptation, to modify internal and external conditions which affect individuals, groups, or communities in respect to behavior, emotions, and thinking, in respect to their

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1 intrapersonal and interpersonal processes, and to diagnose and 2 treat mental, emotional, and behavioral disorders, conditions, and 3 addictions.

ethics in business are vital to the economic well-being of the state.

- (b) It is, therefore, the intent of the Legislature to enact legislation to establish the Socially Responsible Business Leadership Initiative to prepare and inspire California business graduates to apply their business skills to enhance the common good.
- SEC. 2. Chapter 21 (commencing with Section 9900) is added to Division 3 of the Business and Professions Code, to read:

### 12 13 CHAPTER 21. BUSINESS ETHICS

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- 9900. The California Commission on Business Ethics is hereby created in state government.
- 9901. (a) The commission shall be comprised of nine members who represent the state's diverse cultural, geographical, and economic composition.
- (b) At a minimum, the commission shall include members representing:
  - (1) Labor and human rights.
  - (2) Civil rights and diversity.
- 24 (3) The environment.
  - (4) The business community of the state.
- 26 (5) Customers and consumers of products.
- 27 (6) Ethics specialists and the legal field.
- 28 (7) University business schools.
- 29 (8) Corporate shareholders.
- 30 (9) Public health.
  - (e) The commissioners shall serve on a voluntary basis and shall be appointed in equal numbers by the Senate, the Assembly, and the Governor.
    - 9902. The commission shall do the following:
  - (a) Develop regulations for ethical business practices and corporate responsibility.
  - (b) Refine the parameters for a "socially responsible business" for public contract procurement.
  - (e) Propose disciplinary fines and actions against business and corporate executives and directors who violate ethical standards.

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(d) Authorize referrals to the Department of Justice or other law enforcement agencies for criminal or civil actions for a violation of ethical standards.

(e) Index and rank socially responsible businesses.

5 9903. For purposes of this chapter a "socially responsible business" is a business that has shown due respect for and safeguards the environment, human rights, public health and safety, the dignity of its employees, and the welfare of communities in which the business operates.